

BOARD OF TRUSTEES MEETING

Thursday, January 15, 2009, 10:00 a.m. New UCIP Office (Western Ag Board Room) 10980 S. Jordan Gateway, South Jordan, UT

AGENDA

	INDA	
10:00	Call to Order and Welcome New Trustee, Jerry Hurst	Kay Blackwel
ITEM	ACTION	-
/ 1	Excuse Board Members Absent	Kay Blackwell
/ 2	Approval of December 11 Meeting Minutes	Steve Wall
/3	Review/Approve 2009 Sponsorship Opportunities	Jim Eardley
/4	Approve UCIP Employee Manual	Brad Dee
5	Review/Approve Multiline Surplus Reimbursement Plan	Johnnie Miller
6	Premium Audit Procedure	Johnnie Miller
7	Review/Approve Letters of Engagement	Johnnie <mark>Mille</mark> r
8	Review/Approve 2009 Credit Program	Mark Brady
9	Appoint Committee Members	Kay Blackwell
10	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Kay Blackwell
11	Action on Personnel Matters	Kay Blackwell
12	Set Date and Time for Closed Meeting to Discuss the Pending or Reasonably Imminent Litigation	Kay Blackwell
13	Action on Litigation Matters	Kent Sundberg
14	Ratification and Approval of Payments and Credit Card Transactions	Steve Wall
	INFORMATION	
15	Conflict of Interest Disclosure Form	Sonya White
16	Chief Executive Officer's Report	Johnnie Miller
17	Other Business	Kay Blackwell
	Lunch at Neil's, 112 East 12300 South, Draper	



BOARD OF TRUSTEES MEETING MINUTES

January 15, 2009, 10:00 a.m. UCIP Office, 10980 Jordan Gateway, South Jordan, UT

BOARD MEMBERS PRESENT

Kay Blackwell, *President*, Piute County Commissioner Ken Bischoff, *Vice President*, Weber County Commissioner Steve Wall, *Secretary-Treasurer*, Sevier County Clerk-Auditor

Bruce Adams, San Juan County Commissioner Brad Dee, Weber County Human Resources Director Jim Eardley, Washington County Commissioner

LaMar Guymon, Emery County Sheriff Jerry Hess, Davis County Deputy Attorney Jerry Hurst, Tooele County Commissioner Karla Johnson, Kane County Clerk-Auditor Wayne Smith, Iron County Commissioner Kent Sundberg, Utah County Deputy Attorney

BOARD MEMBERS ABSENT

Steve White, Utah County Commissioner

MEMBERS PRESENT

Debra Ames, Rich County Recorder

OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer Mark Brady, UCIP Loss Control Manager Sonya White, UCIP Manager of Administration

Call to Order

Kay Blackwell called this meeting of the Utah Counties Insurance Pool Board of Trustees to order at 10:00 a.m. on January 15, 2009 and welcomed everyone in attendance with a special welcome to the newest Board Member, Jerry Hurst (who took a moment to introduce himself) and Debra Ames, Utah Association of Counties (UAC) President. Debra, and all member officials and employees, are welcome to attend UCIP meetings.

Review/Excuse Board Members Absent

Steve White requested to be excused from this meeting due to a prior commitment. Ken Bischoff made a motion to excuse Steve White from this meeting. Karla Johnson seconded the motion, which passed unanimously.

Approval of December 11 Meeting Minutes

The minutes of the Board of Trustees meeting held December 11, 2008 were previously sent to the Members of the Board for review. Steve Wall made a motion to approve the December 11 meeting minutes as written. Bruce Adams seconded the motion, which passed unanimously. Jerry Hess requested that a list of the vendors be attached to the minutes under agenda item: Review/Approve 2009 Vendor Contracts.

Review/Approve 2009 Sponsorship Opportunities

Jim Eardley reported that he spoke with Brent Gardner, UAC Executive Director, regarding UCIP's contribution to UAC events and the possibility of an exclusive agreement. The UAC Board will be discussing this issue at their meeting tomorrow, January 16. Jim stated that members of UAC and members of UCIP are the same officials with the same budgets and exclusivity shouldn't be an issue or cost. Debra Ames feels that the UAC Board is open to an exclusive arrangement. Johnnie Miller explained that there are many growth opportunities and services that can be provided if UAC and UCIP will work together. Utah Local Governments Trust (ULGT) has been aggressively marketing counties when it doesn't make sense to use tax payer dollars to compete against each other. Pricing given to counties by the ULGT are not legitimate premium quotes and are not in the best interest of county government. UAC has solicited the ULGT as a vendor at its events and has asked county officials to support the ULGT. Members of the Board (Kay Blackwell, Brad Dee, Jim Eardley and Wayne Smith) and Johnnie set a date of February 5 at 1:00 p.m. to meet with the UAC Executive Committee to resolve these concerns.

Wayne Smith made a motion directing staff to only approve solicited sponsorship from a county affiliate if time is allowed for UCIP on the event agenda. Requests from other entities for sponsorship will be decided by the Board of Trustees. Steve Wall seconded the motion, which passed unanimously.

Approve UCIP Employee Manual

Brad Dee reported that all the recommendations by the Board have been incorporated in the Schedule of Discretionary Benefits as discussed in prior meetings (see attachment number one). Johnnie Miller reviewed the final recommendations: 1) paydays are in accordance with State Code; 2) work hours are from 8:00 a.m. to 4:30 p.m.; 3) matching contributions of retirement benefits; and 4) auto allowance reimbursement from 70 miles to 100 miles round trip (the UCIP vehicle will be kept one more year). Jerry Hess made a motion to approve the UCIP Employee Manual excluding paragraph eight on page nine. Jim Eardley seconded the motion, which passed. Bruce Adams, Brad Dee, Karla Johnson and Steve Wall opposed the motion, wanting the Employee Manual to be approved as written.

Review/Approve Multiline Surplus Reimbursement Plan

Johnnie Miller explained that the Workers' Compensation Pool has a \$2,900,000 deficit and the Employee Benefits Program has a deficit of \$490,000, which includes the cost of the feasibility study. New programs take several years to start building surplus. Those counties involved in the Employee Benefits program can sign over a three-percent PEHP service fee to UCIP. The three-percent would be used to pay back the monies borrowed from the Multiline Pool and help subsidize other health programs for those counties. Johnnie will be meeting with the governing boards of the counties that have not yet signed the agreement for the service fee. Johnnie recommended that the Board adopt a policy to recoup these monies from the Workers' Compensation Pool and the Employee Benefits Program since the Multiline Pool has subsidized these programs. The Board directed Johnnie Miller to draft a surplus reimbursement plan to be reviewed by the Board at the next Board meeting.

Premium Audit Procedure

Johnnie Miller explained that regulated carriers must conduct payroll audits at the end of the year to verify changes in estimated reported payroll. Since the start-up of the Workers' Compensation Pool, UCIP's practice has been not to audit payroll; using only estimated payroll during the renewal process to calculate premiums for the next policy year. The ULGT has now adopted this same practice as a marketing tool for counties. Payroll audits are a good business practice especially since County Reinsurance Limited audits the Pool at year-end. Ken Bischoff made a motion authorizing staff to conduct a payroll audit of member counties for the Board to review at its next meeting. Karla Johnson seconded the motion, which passed unanimously.

Review/Approve Letters of Engagement

Johnnie Miller reviewed the annual engagement letters from By The Numbers Actuarial Consulting for actuarial services (see attachment number two) and Larson & Rosenberger for audit services (see attachment number three) with the Board. Steve Wall made a motion to approve the actuarial and audit services as presented in the engagement letters. Ken Bischoff seconded the motion, which passed unanimously.

Review/Approve 2009 Credit Program

Mark Brady reviewed the proposed new format of the 2009 Best Practices Program with the Board (see attachment number four). Members with high compliance to the current programs are not showing corresponding improvement in their loss ratios. Although the Best Practices Program has continued to evolve in addressing newly ascertained exposures and continues to require compliance with sound risk management, these efforts have only been partially successful. Mark reviewed the qualities of an effective incentive based program and recommended that a loss control program be implemented that recognizes compliance with sound risk management practices and success at controlling loss. The Board agreed with these requirements and directed Mark to have the program completed and ready by the end of March. Mark researched and explained that the benefits of providing model policies to UCIP members outweigh possible risk. Karla Johnson made a motion to provide sample policies for members to access on the UCIP website. LaMar Guymon seconded the motion, which passed unanimously.

Appoint Committee Members

The Board reviewed the current listing of UCIP Loss Prevention Committees (see attachment number five). Steve Wall made a motion to eliminate the Advisory and the Building Committees, appoint Wayne Smith as the Chair of the Audit Committee, appoint Steve White to the Audit Committee, and appoint Kay Blackwell and Jerry Hurst to the Benefits Pool Planning Committee. Karla Johnson seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

Steve Wall made a motion to set the date and time for a closed meeting to discuss the character, professional competence, physical/mental health of an individual for 12:30 p.m. on January 15, 2009. Karla Johnson seconded the motion, which passed unanimously. Board Members present at the closed meeting were: Kay Blackwell, Ken Bischoff, Steve Wall, Bruce Adams, Brad Dee, Jim Eardley, LaMar Guymon, Jerry Hess, Jerry Hurst, Karla Johnson, Wayne Smith and Kent Sundberg. Also present was: Johnnie Miller.

The regular meeting resumed at 12:40 p.m. on January 15, 2009.

Action on Personnel Matters

Steve Wall made a motion to strike the agenda item: Action on Personnel Matters. Kent Sundberg seconded the motion, which passed unanimously

Set Date and Time for Closed Meeting

Kent Sundberg made a motion to strike the agenda item: Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation. Steve Wall seconded the motion, which passed unanimously.

Action on Litigation Matters

Kent Sundberg made a motion to strike the agenda item: Action on Litigation Matters. Steve Wall seconded the motion, which passed unanimously.

Ratification and Approval of Payments and Credit Card Transactions

Steve Wall reviewed the payments made, payments to be made (see attachment number six) and credit card transactions with the Board. Steve Wall made a motion to approve the payments made, payments to be made and credit card transactions. Karla Johnson seconded the motion, which passed unanimously.

Conflict of Interest Disclosure Form

Each Board Member was provided a copy of the Conflict of Interest Joint Policy and a Disclosure Form to be completed and notarized.

Chief Executive Officer's Report

Johnnie Miller explained that Grand County has notified UCIP that they will not be paying their 2009 premiums for the Multiline and Workers' Compensation Pools. The Board will be required to terminate Grand County's membership in accordance with the Interlocal Agreement and Bylaws at their next meeting.

Pursuant to the direction of the Board at its last meeting, Johnnie notified Mountain View Software that UCIP would like to move its files back to the prior Claims Zone System due to the continuing issues being experienced with the new system. The old version of Claims Zone is no longer available and Mountain View has agreed to meet and work with UCIP's claims managers to correct the problems at no cost to UCIP. UCIP will be sending monthly reports to members instead of UCIP paying the additional cost per member to have real-time access to the system.

Johnnie reported that UCIP's medical billing records reconcile with the counties records and the correct premiums have been invoiced and received. UCIP continues to be unable to reconcile with PEHP. An auditor at Larson & Rosenberger has provided a quote of \$2,500 to audit the spreadsheets of UCIP and PEHP. Brad Dee made a motion approving authority up to \$2,500 for the audit of the Employee Benefits Program to the Chief Executive Officer. Steve Wall seconded the motion, which passed unanimously.

Johnnie reported that Grand, Summit and Utah Counties have withdrawn from the Workers' Compensation Pool as well as Bear River Health Department and Wasatch Mental Health. The reduced revenue equals \$992,200 reducing the total collected premium to \$2,304,700. Pursuant to the actuarial premium indications report, estimated losses are \$1,640,000, estimated excess premiums are \$408,500, estimated administration expenses are \$445,000, estimated taxes are \$60,000 and estimated investment income is \$128,896. The estimated loss for the program is \$120,068. Johnnie reviewed his proposed administrative budget reductions (see attachment number seven). Kent Sundberg stated that Johnnie has taken on a huge task and is doing a great job for the Pool; all Board Members agreed.

Other Business

The Board reviewed the agenda for the upcoming AGRIP Spring Conference and found that attendance at this year's event could not be justified. Therefore, Members of the Board and/or Staff will not be attending the 2009 AGRIP Spring Conference.

The next meeting of the Board will be held on February 19, 2009, 10:00 a.m. at the UCIP office in South Jordan.

Approved on this 19th day of February 2009

Steve Wall, UCIP Secretary-Treasurer



MEMORANDUM

To: Brad Dee, UCIP Personnel Committee Chair

From: Johnnie Miller, UCIP CEO

Date: January 8, 2009

Re: Revisions to UCIP Employee Manual for 2009

Attached are the draft revisions to the UCIP Employee Manual for 2009 based on recent actions of the UCIP Board of Trustees related to employee benefits, and other administrative and expense reduction related changes.

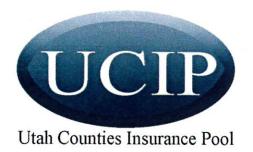
Specific changes to the Manual are as follows:

- Page 2, Section I Payroll Procedures has been revised to comply with Utah Code 34-28-3, which requires that "If a payday falls on a Saturday, Sunday, or legal holiday, an employer shall pay wages earned during the pay period on the day preceding the Saturday, Sunday, or legal holiday."
- Page 3, Section L. **Work Hours** has been revised to change the regular UCIP office hours from 8:30 to 5:00 to 8:00 to 4:30.

Changes made to the SCHEDULE OF UCIP DICRETIONARY BENEFITS (the final page of the Manual) are as follows:

- **Retirement Account Contributions** section was revised to comply with UCIP's new policy to match employee contributions into 401k and 457 accounts to a maximum of 5% of the employee's salary.
- **Health Insurance** section was revised to show UCIP will pay 90% of premiums for employee family coverage.
- **Dental and Optical Care** section was revised to show UCIP will pay 90% of premiums for employee family coverage.
- **Disability Insurance** section was revised to show the reduced limits of spouse and dependent coverage.
- **Auto Allowance** section was revised to change the reimbursement threshold from 70 miles round trip to 100 miles round trip.

Please let me know if you have any questions or concerns regarding these proposed changes. My hope is to have your support to request the changes be adopted by the Board at their January 15 meeting.



UCIP EMPLOYEE MANUAL

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Receipt of Manual

This Manual is provided to UCIP employees as a reference guide regarding UCIP's employment related policies and procedures. These policies and procedures as well as the benefits provided by UCIP to its employees may be amended from time to time by action of the UCIP Board of Trustees. The Board of Trustees reserves the right to amend, alter, or revoke any policy, practice, benefit, or employment condition, at any time, or for any reason, with or without notice.

No contract exists between UCIP and its employees or any third parties with respect to salary ranges, movement within salary ranges, employee benefits, work location, or any other aspects of employment. These aspects of employment with UCIP may change as a result of salary surveys, job analysis, availability of funds, job performance, changes in workload, or changes in UCIP policies and procedures. Employment with UCIP is "at will" and may be terminated at any time.

The undersigned has received this manual and has had an opportunity to review its contents, and ask questions related thereto:

		
Employee Signature	Date	

SECTION I - GENERAL PROVISIONS

Utah Counties Insurance Pool, "UCIP" is a political subdivision of the State of Utah, governed by the UCIP Board of Directors, and operating under the laws of the State of Utah.

A. Applicability of Policies and Procedures

These policies and procedures apply to all UCIP employees.

B. Authority for Policies

The UCIP Board of Trustees establishes the policies and procedures that are outlined in this manual. The Board may alter, amend, or supplement these policies and procedures at any time.

C. Savings Clause

If any provision of these policies and procedures, or the application thereof, is found to be in conflict with any State or Federal law or regulation, these policies and procedures shall be considered amended to the extent necessary to comply with such law or regulation.

D. Personal Information

UCIP has signed the Electronic Trading Partner Agreement with the Utah Retirement Systems. As a condition of this Agreement, UCIP has adopted the following policy statement: UCIP will prevent the improper use or disclosure of personal information regarding its employees' status, contributions and/or benefits, or any other personal information arising from enrollment or participation in the Utah Retirement Systems.

E. Non-Discrimination

UCIP is an equal opportunity employer. UCIP complies with Federal and State non-discrimination laws with respect to employment on the basis of race, color, national origin, sex, age, disability, or religion. UCIP complies with Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act and other applicable laws relating to non-discrimination in employment. Employment at UCIP is based upon the applicant or employee's qualifications, suitability for the job, job references, and ability to perform the functions of the job.

F. Nepotism

UCIP complies with Sections 52-3-1 to 52-3-4, of the Utah Code Ann. 1953, as amended regarding the employment of relatives.

If because of marriage, promotion, reorganization or other reason, it appears that a conflict with Utah law or this policy appears to exist, the Chief Executive Officer, and the Board of Trustees shall review the matter.

If it is determined that a conflict exists, resignation of one of the family members may be required.

G. Employment Classifications

UCIP employment classifications are generally designated as either full-time or part-time positions. Each job description shall state whether the position is a full, part-time, seasonal or temporary position and if it is an exempt or non-exempt position for purposes of the Fair Labor Standards Act (FLSA). Employees holding full-time positions receive the benefits and protections described in this manual.

An employee's classification determines the level of benefits for which the employee is eligible.

- 1. Full Time Positions. Employees, who generally work thirty-two (32) or more hours per week in a permanent position, are full-time employees.
- 2. Part Time Positions: Employees who work less than thirty-two (32) hours per week on a continuous or recurring basis are part time employees.

H. FLSA

UCIP abides by the provisions of the Fair Labor Standards Act.

I. Payroll Procedures

Paydays are twice a month, on the fifteenth and the last day of the month. If a payday falls on a Saturday, Sunday, or legal holiday, UCIP will pay wages earned during the pay period on the day preceding the Saturday, Sunday, or legal holiday.

J. Reimbursement of UCIP Business Expenses

UCIP will pay or reimburse employees for expenses associated with authorized UCIP business. The amounts paid or reimbursed are determined from time to time by the UCIP Board of Trustees. Payment or reimbursement for expenses under this policy must be submitted to the Manager of Administration on a form approved by UCIP and must include all receipts for items to be reimbursed.

- 1. <u>Mileage</u>. UCIP will reimburse for mileage at the approved federal rate when an employee uses a personal vehicle for authorized UCIP business which does not include commuting to and from the UCIP office.
- 2. Monthly Auto Allowance. The UCIP Board of Trustees has approved a monthly auto allowance to be paid to specific employees that regularly use their personal auto for travel on authorized UCIP business. Employees who receive a monthly auto allowance will only receive reimbursement for mileage when the round trip miles driven for a single business purpose exceed the number of miles identified as the Mileage Reimbursement Threshold in the Schedule of UCIP Discretionary Benefits. Reimbursement of mileage exceeding the Mileage Reimbursement Threshold will be paid at the approved federal rate.
- 3. <u>Per Diem.</u> UCIP will pay a per diem at a rate established by the Board of Trustees for employees away from home on authorized UCIP business. Per Diem is not payable to employees on business in the employee's home county or Salt Lake County. Travel requirements for per diem are a trip of at least

100 miles and/or five hours duration. Per diem is provided to cover meals and incidental expenses incurred when travelling.

- 4. <u>Other Travel Expenses.</u> UCIP will pay or reimburse employees for other expenses, such as lodging or airfare, on approved business trips.
- 5. <u>Cell Phones</u>. Employees furnished cell phones will reimburse UCIP for personal calls, texts, messaging or internet usage that put the monthly charge over the minimum <u>and</u> any personal charges above the minimum. When out of town and/or out of state, the employee should evaluate charges from a hotel and cell phone and choose the lesser cost.
- 6. <u>UCIP Business Credit Cards</u>. The UCIP Board of Directors has approved the use of UCIP Business Credit Cards by certain employees who regularly incur business expenses as part of their duties. UCIP Business Credit Cards are for use of authorized business travel expenses and other authorized business expenses. Employees using UCIP Business Credit Cards must submit documentation of the charges in the form of written receipts to the Manager of Administration. Each receipt should include documentation of the business purpose of the expense. All UCIP Business Credit Card transactions will be reviewed and approved by the UCIP Board of Trustees. An employee will reimburse UCIP for any expenses not approved by the UCIP Board of Trustees as legitimate business expenses. Such expenses that are not reimbursed to UCIP within 30 days of notice to the employee of the Board's action may be deducted from the employees pay at the discretion of the Chief Executive Officer.

K. Outside Employment

No Pool employees may engage in any outside employment or activity that, in the opinion of the Chief Executive Officer, might impair the performance of their duties or is detrimental to UCIP member service.

L. Work Hours

All full-time employees are expected to work their assigned schedule.

- 1. Hours are from 8:00 a.m. until 4: 30 p.m. After Memorial Day and prior to Labor Day of each year, the Chief Executive officer may implement at their discretion a "summer flex hours" program. Flex hour programs shall not exceed a program of employees working 10 hours a day for 4 days a week, and in no case shall a flex hour program create the need for payment of overtime to any employee. The Chief Executive Officer may make changes to the flex hour program at any time at their sole discretion.
- 2. Each employee is allowed a thirty minute lunch period. The employee's actual amount of lunch time will be determined by the Chief Executive Officer. Employees are expected to coordinate with other employees and their supervisors to assure the office is appropriately staffed for receiving guests

and phone calls throughout the work day. Employees are normally expected to be present during all other work hours unless special arrangements are made with the Chief Executive Officer from time to time for cause.

3. Generally, employees are not allowed to skip their lunch break to leave work early.

M. Absence Without Leave

No employee may be absent from duty without permission. All employees should notify their supervisor, the Manager of Administration, or the Chief Executive Officer prior to an absence. In emergency situations where prior notification is not possible, the employee should provide notification as soon as possible.

If a pattern (two or more) of unexplained or unexcused absences develops, employees may be subject to a disciplinary action, including termination.

N. Terminating Employment

An employee's employment with UCIP may terminate in different ways:

- 1. Resignation- Employees may resign at any time. However, as a courtesy, UCIP requests that employees give a minimum two weeks written notice so that UCIP has time to prepare final paperwork and arrange to assure minimal disruption to member service. Any earned and or accrued vacation and sick leave will be paid at the time of resignation in accordance with policies adopted by the Board of Trustees at the time of termination.
- 2. <u>De-facto Resignation</u>- Employees who are absent from work for three (3) consecutive days and are capable of providing notice to their supervisor, but fail to do so, are considered to have voluntarily resigned.
- 3. <u>Involuntary Termination</u>- As an "at will" employer, UCIP may terminate an employee's employment at any time.

O. Termination Pay

Employees who leave UCIP service for any reason will be paid the wages due them at the next regularly scheduled payday. UCIP will pay terminating employees for earned and accrued vacation time. UCIP may also pay earned sick leave based on policy in effect at the time of termination. Payment of earned and accrued vacation and sick leave due the employee based on policies at the time of termination will also be paid at the next regularly scheduled payday.

SECTION II - COMPENSATION

All compensation provided to UCIP employees is determined or approved by the UCIP Board of Directors. The UCIP Board may alter, amend, or supplement these policies and procedures at any time to the extent allowed by law.

A. Wages

It is the intent of UCIP to provide its employees with wages competitive with other similar employers in the Salt Lake County area. Employee wages are determined by the

UCIP Board of Directors and may be set based on analysis of wages for similar employers in the Salt Lake County area and in consideration of other benefits provided to employees to recognize the value of each employee's total compensation package.

B. Monthly Auto Allowance

The UCIP Board of Trustees has approved a monthly auto allowance at a rated identified in the Schedule of UCIP Discretionary Benefits to be paid to specific employees that regularly use their personal vehicle for travel on authorized UCIP business. The Monthly Auto Allowance is considered income for purposes of taxable income, and will be reported by UCIP as taxable income paid to the employee.

C. Cost of Living Adjustment

Adjustments to wages related to cost of living are recommended by the Chief Executive Officer, and approved at the sole discretion of the UCIP Board of Directors.

- 1. Employee salaries may be adjusted annually to protect them from inflation of the local economy. COLA will be paid only if funds are available in the budget, and at the sole discretion of the Board of Trustees.
- 2. The UCIP Board of Trustees may consider in part the percentage increase (if any) of the U.S. Department of Labor, Consumer Price Index for the Salt Lake County Area as reported in January of each year, when considering any COLA type salary adjustment.

D. Merit Salary Increases

Merit adjustments to wages are recommended by the Chief Executive Officer and approved at the sole discretion of the UCIP Board of Directors.

- 1. Merit salary increases for employees shall be considered annually on the basis of individual performance and performance of UCIP as an organization.
- 2. Merit salary increases shall only be granted upon recommendation of the Chief Executive Officer and approval of the Board of Trustees.
- 3. The effective date of any merit increase shall be the first pay period of the calendar year, unless otherwise determined by the Board of Trustees.

E. Bonuses

Individual bonuses may be recommended by the Chief Executive Officer. All bonuses must be approved by, and at the sole discretion of, the UCIP Board of Trustees.

F. Discretionary Award

Full-time employees may receive an annual award at the discretion of the Chief Executive Officer to be included with the first payroll of December. Limitations related to such award shall be determined by the UCIP Board of Trustees.

SECTION III - DISCRETIONARY BENEFITS

UCIP provides a variety of benefits to eligible employees. Among the benefits currently provided are a retirement program, a long-term disability insurance program, medical and life insurance plans, and a deferred income investment program.

UCIP may add, alter or eliminate benefits at its discretion.

A. Retirement

In order to help its employees plan and prepare for retirement, UCIP participates in the Public Employee Noncontributory Local Government Defined Benefit Retirement Program of the Utah Retirement System (URS Pension Plan), a 401k retirement savings plan administered through the Utah Retirement System (URS 401k Plan), and a 457 deferred compensation plan administered through Nationwide Retirement Solutions (Nationwide 457 Plan). UCIP contributions to retirement plans are made in addition to, and not deducted from, employee's regular pay. Employees may have additional amounts deducted from their regular pay to contribute to these plans, based on the policies of each plan.

B. Group and Medical Insurance

UCIP currently provides the following life and health benefits to full-time employees and their dependents:

- 1. Major medical and surgical
- 2. Dental Care
- 3. Vision Care
- 4. Group Term Life
- 5. Accidental Death and Dismemberment
- 6. Workers' Compensation (employees only)
- 7. Long term disability (employees only)

UCIP pays a percentage of the cost for insurance coverage of the employee and eligible dependents determined by the Board of Trustees and shown in the Schedule of UCIP Discretionary Benefits. The cost of optional coverage and amounts above the basic package are the responsibility of the employee.

C. Health Reimbursement Program

The UCIP Board of Trustees has adopted a health reimbursement arrangement the terms of which are included in Attachment A. Employees who terminate employment with UCIP for any reason are not compensated for any unused funds without providing receipts for qualifying expenses incurred prior to termination.

D. Holidays

UCIP provides the following paid holidays to allow employees to enjoy a break in the work routine and to commemorate special Federal and State historical events and activities.

The first day of January - New Years Day

The third Monday of January – Martin Luther King Day

The third Monday of February – Presidents' Day

The last Monday of May - Memorial Day

The 4th of July – Independence Day

The 24th of July – Pioneer Day

The first Monday of September – Labor Day

The second Monday of October – Columbus Day

The 11th of November – Veteran's Day

The fourth Thursday and Friday of November – Thanksgiving Day

The 25th of December - Christmas Day

When a paid holiday falls on a Saturday, the day off will be observed on the Friday preceding the Holiday. When a paid holiday falls on Sunday, the day off will be on the Monday following.

Should a holiday occur while an employee is on vacation, the employee will not be charged with vacation on the day of the holiday.

To be eligible for holiday pay an employee must work the regular scheduled day prior to the holiday, or the first regular scheduled day after the holiday, or be on an authorized paid leave using vacation pay, sick leave pay, or accrued compensatory time etc.

E. Vacation

UCIP provides paid vacation to employees according to the Vacation section of the Schedule of UCIP Discretionary Benefits. Vacation time is provided to allow employees a break from their work duties to rest and reinvigorate them. UCIP may require employees in fraud sensitive positions to take a minimum number of days of vacation per year. It is UCIP's intent to incent employees to use vacation time in the year it is earned. A policy to carry over vacation time is provided to allow employees to plan for extended vacations, and is not meant as a means for employees to "bank" significant vacation time. It is also UCIP's intent to incent employees to use vacation time in blocks of several days, rather than a day or two at a time.

Here are some general vacation policies:

- 1. Vacation time may be used in increments of no less than one half (½) hour.
- 2. Employees may generally use their vacation anytime, however, to assure quality of member service, all vacation time must be approved in advance by the employee's supervisor. To allow adequate time for the supervisor to consider requests for vacation, employees are encouraged to request vacation

time as far in advance as possible, but generally not less than one week in advance of the beginning of the vacation period. If an employee feels their supervisor's denial of vacation time is unreasonable, they may ask for a review of the request for vacation by the Chief Executive Officer.

- 3. Legal holidays occurring while an employee is on vacation are not deducted from an employee's accrued vacation time.
- 4. Vacation hours may be carried forward to succeeding years to the extent allowed by the policy of the UCIP Board of Trustees, as outlined in the Schedule of UCIP Discretionary Benefits.
- 5. Vacation time will not accrue while an employee is on an unpaid leave of absence, or when temporary totally disability due to a work related injury exceeds 45 days.

F. Sick Leave

UCIP provides compensated sick leave to full-time employees who cannot perform their normal duties as a result of non-work related illness, injury or physicians visits related to non-work related illness or injury. Employees are encouraged to build up sick leave so that days are available for serious illness. Employees who regularly use up sick leave will be counseled regarding the difficulties such a practice may create. Sick leave is a privilege and employees should use it responsibly. Intentional misuse of sick leave may be grounds for discipline, up to and including termination.

Eligible employees may earn sick leave at the rate identified in the Schedule of UCIP Discretionary Benefits. Employees may take sick leave for personal illness or to care for sick family members (spouse, child, or parent).

Here are some general sick leave policies:

- 1. Employees taking sick leave should provide notice at least one hour prior to beginning of shift in order to minimize disruption to the workplace.
- 2. Use of vacation time for absence from work due to an employee's own illness or injury will only be allowed when the employee has exhausted all earned and accrued sick leave. After exhausting all accrued sick and vacation time, the employee may be considered to be on an unpaid leave of absence at the discretion of the Chief Executive Officer.
- 3. Sick leave may be taken in increments no less than one half $(\frac{1}{2})$ hour.
- 4. Legal holidays occurring while a full-time employee is ill will not be deducted from an employee's earned or accrued sick leave.
- 5. A limit of 75 days (600 hours) of earned sick leave may be accrued and carried forward to succeeding years. Earned or accrued sick leave exceeding this limit may be converted to additional vacation time at the

rate of one day sick leave equals one-half (½) day additional vacation time and may either be added to the employee's accrued vacation or paid to the employee, at the rate of pay that the sick leave was earned, at the end of the calendar year.

- 6. Employees do not earn sick leave while on an unpaid absence, when a period of an employee's own illness or injury exceeds 45 days, or when temporarily totally disability due to a work related injury exceeds 45 days.
- 7. After three (3) consecutive days of sick leave, at UCIP's discretion, an employee may be required to provide a doctor's certificate of disability with respect to any sick leave taken. If such certificate is not provided, the employee's absence may be considered an unpaid absence.
- 8. Up to five (5) days of sick leave per year may be used as personal days to perform various banking, financial, court appearance and other personal errands that the employee is unable to perform outside of work hours. Use of sick days as personal days may be used in increments of not less than one half (½) day. The use of sick leave as personal days must be approved by the Chief Executive Officer.

G. Bereavement Leave

UCIP grants bereavement leave to employees who suffer the death of a member of the immediate family, or a close relative. It is the intent of UCIP to be considerate of an employee's special needs and to be supportive in the death of a loved one.

Accordingly, UCIP may provide the employee with paid time off from work to attend the funeral and to fulfill other responsibilities before the funeral without charge to the employee's earned or accrued sick or vacation time.

If an employee suffers the death of a close relative, and requests time off from work during the period of bereavement, the Chief Executive Officer may approve the request based on the following:

1. The necessity and appropriateness of the time off. The employee should be attending the funeral and/or have certain responsibilities to fulfill before the funeral.

2. The amount of time off:

a. If the deceased was a member of the employee's immediate family (spouse, child or child of a spouse, parent or parent of a spouse, sibling or sibling of a spouse, brother or sister-in-law, grandparents, and grandchild or grandchild of a spouse), the employee may have paid time off up to five (5) days at any time between the death and the day of the funeral.

- b. For other close relatives (aunt, uncle, niece, or nephew of either the employee or spouse) the employee may have paid time off for the day of the funeral.
- 3. The pay for bereavement leave will be based on the employee's current rate of pay and the number of hours in the normal workday. Employees may request additional days off and use accrued vacation, personal days or leave without pay, as approved by the Chief Executive Officer.
- 4. In the event of the death of a member of the immediate family while an employee is on vacation, the vacation will be extended by the amount of time normally authorized as outlined above.

H. Family and Medical Leave

UCIP complies with all applicable requirements of the Family and Medical Leave Act of 1993 (FMLA).

- 1. An employee's use of FMLA will not result in the loss of any employment benefit that accrued prior to the start of the employee's leave. However, the employee must first use any accrued vacation, compensatory time, and sick leave during the FMLA leave period. In calculating the twelve (12) week FMLA limit, all paid leave will be included.
- 2. UCIP has adopted the calendar year as the basis for determining FMLA eligibility. However UCIP retains the right to change the eligibility period when it is determined to be in the best interest of UCIP to do so in terms of administration.
- 3. Upon returning from FMLA leave, most employees will be reinstated to the same, or equivalent, position with equivalent pay, benefits, and other employment terms as previously provided. There will be no loss of benefits that accrue prior to the start of the employee's leave.

I. Jury Duty

Every employee will be granted a leave of absence when subpoenaed or ordered to appear as a juror or witness by the Federal Government, State of Utah, or political subdivision thereof. If the employee turns over the juror or witness fee to UCIP along with a copy of the subpoena, UCIP will pay the employee's regular compensation. Travel time to or from juror or witness duty is also considered an approved absence, but UCIP will not pay for mileage regardless of whether the subpoena requires travel during work hours.

J. Education Assistance

UCIP employees are encouraged to seek further education to perform their jobs more effectively and to enhance their professional development. UCIP may subsidize the education expenses of employees under specified circumstances. This policy is subject to availability of funds, and applies only to full-time employees.

1. Program Eligibility

The education program must provide a benefit to UCIP by directly relating to the work the employee currently performs or will be required to perform. Eligibility of the education program will be determined by, and must be approved by, the Chief Executive Officer.

2. Reimbursement

Education assistance shall not exceed \$500 in any one year. Tuition costs shall not be carried into the next budget year for reimbursement.

3. Procedures

- a. Employees are encouraged to attend classes and study during non-working hours. In the alternative, the Chief Executive Officer may flex an employee's work schedule to allow the employee to attend classes and study for exams.
- b. To receive education assistance, an employee must receive approval from the Chief Executive Officer prior to commencement of the class. Employees are encouraged to discuss education assistance well in advance of the commencement of classes, to allow the expense to be appropriately budgeted.
- c. To be reimbursed, the employee must complete the approved class with a final grade of "C" or better. If the course is only offered on a pass/fail basis, the employee must receive a passing grade.
- d. The employee must submit proof of a satisfactory grade and proof of tuition payment to the Chief Executive Officer prior to reimbursement.

4. Required Classes

If UCIP requires an employee to attend an education program or class, UCIP shall pay the full cost of the program or class.

SECTION IV - STANDARDS OF CONDUCT

UCIP expects its employees to conduct themselves diligently and honorably in their assignments on behalf of the public. Employees should:

- 1. Work diligently on their assigned duties during their assigned work schedules.
- 2. Make prudent use of Pool funds, equipment, buildings, supplies, and time.
- 3. Work courteously with coworkers and the public.
- 4. Observe work place rules of conduct and safety.
- 5. Meet the standards of their individual job descriptions.
- 6. Report and correct circumstances that prevent employees from performing their jobs effectively or completing their assigned tasks.

A. Employee Discipline

Employees who violate Pool policy are subject to discipline. Depending upon the circumstances, UCIP may transfer, suspend, reduce pay, demote, terminate or take whatever other action deemed appropriate by the Chief Executive Officer to discipline employees who violate Pool policy. Grounds for discipline may include, but are not limited to:

- 1. Inefficiency;
- 2. Incompetence;
- 3. Failure to maintain skills;
- 4. Inadequate performance levels;
- 5. Neglect of duty;
- 6. Misconduct;
- 7. Inability to work in harmony with coworkers;
- 8. Rudeness to the public;
- 9. Disobedience of a reasonable order of a supervisor;
- 10. Dishonesty;
- 11. Insubordination.
- 12. Misappropriation or damage to Pool funds or property;

- 13. Misuse of Pool funds or property;
- 14. Tardiness;
- 15. Unapproved absences;
- 16. Any act inimical to public service; and/or
- 17. Felony convictions and other violations of state and federal law.

This list is not exhaustive and is set forth as a guideline. This list should **not** be construed as preventing or limiting UCIP from taking disciplinary action, including termination, in circumstances where UCIP deems such action to be appropriate, regardless of whether UCIP has specifically identified a written rule or policy. Similarly, employees may be disciplined for violations of Pool policy found in other sections of this manual, violations of State or Federal law, or violations of relevant policies, rules or laws promulgated elsewhere.

Employees may appeal disciplinary action through UCIP's Dispute Resolution process.

B. Drug Free Workplace

UCIP is committed to providing a safe work place and ensuring the safety of the general public and asks your cooperation in this effort.

The purpose of this policy is to implement the Federal Drug Free Workplace Act of 1988 by providing for a safe and productive work environment that is free from impaired performance caused by employee use or abuse of controlled substances, medication, and/or alcohol. This policy establishes procedures for controlling drug or alcohol use or abuse in the workplace and applies to all employees. Impaired means an SMQ or impermissible quantity of a drug as shown below:

Significant Measurable Quantity (SMQ) means the impermissible quantity of a drug, including alcohol, that indicates a positive drug and/or alcohol test in violation of UCIP's written policy. The SMQ for drugs is established by the Federal Department of Health and Human Services and is subject to change. The SMQ for alcohol is based on the Federal Highway Administration (FHWA) and is subject to change.

Drug	Screening (ng/ml)	Confirmation (ng/ml)
Marijuana	50	15
Cocaine	300	150
Meth/Amphetamine	1000	500*
Opiates	300	300

Phencyclidine (PCP)	25	25
Barbiturates	300	300
Benzodiazepines	300	300
Propoxyphene	300	300
Methadone	300	300
Alcohol	0.04	0.04

^{*}Amphetamine must be present in a concentration greater than 200 ng/ml to report a specimen positive for methamphetamine. If the amphetamine concentration is less than 200 ng/ml, a 1-methamphetamine analysis must be performed. When the 1-methamphetamine percentage is greater than 80%, the specimen is reported as negative.

1. Responsibility of Employees

- a. No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol.
- b. Any employee convicted under a federal or state statute regulating controlled substances shall notify his or her supervisor within five (5) days after the conviction.
- c. No employee shall consume alcohol immediately before work, during work hours while at work, during breaks, or during lunch. No employee shall be impaired by alcohol, illegal drugs, or medication during work hours. No employee shall represent UCIP in an official capacity while impaired by alcohol, illegal drugs, or medication.
- d. If an employee is using medication that may impair performance of duties, the employee shall report that fact to his or her supervisor.
 - (i) No employee using medication that may impair performance shall operate a motor vehicle on behalf of UCIP.

2. Reasonable Suspicion Testing

a. Any employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, or medication shall notify the impaired employee's supervisor. At the request of the employee's supervisor, the employee suspected of being under the influence of alcohol and/or drugs shall submit to a chemical test of their bodily fluids. Refusal to submit to a test shall be deemed a violation of this policy subject to disciplinary action, up to and including termination.

The cost of the test shall be paid by UCIP.

3. Corrective Action

- a. The Chief Executive Officer or the supervisor of an employee, whose performance is impaired by alcohol, illegal drugs, or medication, shall take corrective action, which may include discipline.
- b. Upon taking corrective action, the Chief Executive Officer shall prepare a written report stating the reasons for the action.
- c. An employee impaired by illegal drugs or alcohol during work hours shall be relieved from duty and shall be charged earned or accrued vacation leave for the absence.
- d. An employee impaired by medication during work hours may be relieved from duty and shall be charged earned or accrued sick leave for the absence.
- e. The Chief Executive Officer may change an employee's assignment while the employee is using medication, if the employee is impaired by the medication.
- f. If the Chief Executive Officer has reason to believe that an employee may be abusing an illegal drug, medication, or alcohol, the Chief Executive Officer may refer the employee to an evaluation program for the purpose of obtaining a diagnosis.
 - (i) The cost of the evaluation and any necessary testing shall be paid by UCIP.

4. Treatment Program

- a. If an employee admits abusing an illegal drug, medication, or alcohol, or if it is determined by a medical or other recognized professional diagnosis that an employee is abusing an illegal drug, medication, or alcohol, the Chief Executive Officer may refer the employee to a treatment program based on the severity of the condition.
 - (i) The employee shall participate in the treatment program at the employee's expense.
 - (ii) The Chief Executive Officer may change an employee's assignment while the employee is enrolled in a treatment program.
- b. An employee participating in a treatment program shall use accumulated leave consistent with the sick leave policy for any absence.
- c. The employee shall provide documentation of successful completion of the treatment program.

- (i) After the employee's successful completion of the treatment, the Chief Executive Officer shall reinstate the employee to the employee's former or equivalent position.
- d. The employee shall sign a release to allow communication between the Chief Executive Officer and the treatment provider. All such communication shall be maintained in a confidential file separate from the employee's personnel file.
- e. The Chief Executive Officer may dismiss an employee who refuses to enroll in a treatment program, fails to successfully complete the program, or fails to provide documentation of completion.
- f. The Chief Executive Officer may reassign an employee returning from treatment.

C. Sexual Harassment Prohibited

UCIP does not tolerate sexual harassment. Sexual Harassment means "Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment" (Equal Employment Opportunity Commission Guidelines, Section 1064.11).

All employees are responsible for ensuring that the workplace is free from all forms of sexual harassment.

- 1. Sexual harassment encompasses a wide range of behaviors, including sexual attention, sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature.
- 2. Examples of sexual harassment may include, but are not limited to the following:
 - a. Implying or threatening adverse employment actions if sexual favors are not granted.
 - b. Promising preferential treatment in return for sexual favors.
 - c. Subtle pressure for sexual activity.
 - d. Inappropriate touching of any individual i.e. petting, pinching, hugging, or repeated brushing against another employee's body.

- e. Offensive remarks, including unwelcome comments about appearance, obscene jokes, or other inappropriate use of sexually explicit or offensive language
- f. The display of sexually suggestive objects or pictures.
- g. Disparaging remarks about a person's gender.
- h. Spreading stories about a person's sexual conduct.
- i. Questions about a person's sexual activity.
- j. Physical aggression such as pinching or patting.
- k. Verbal sexual abuse disguised as humor.
- Obscene gestures.
- m. Horseplay or bantering of a sexual or off-color nature.
- n. Other actions of a sexual nature that affect the terms and conditions of a person's employment.
- o. Conduct or comments consistently targeted at only one gender, even if the content is not sexual.
- 3. UCIP considers prompt reporting of harassment to be a condition of your employment. If you believe that you have experienced or witnessed sexual harassment, you must immediately report your concern to the Chief Executive Officer. If you feel uncomfortable reporting to the Chief Executive Officer, contact a member of the UCIP Board of Trustees.
- 4. UCIP will not retaliate against any person who reports sexual harassment unless the report was false and was made maliciously.
- 5. UCIP will investigate allegations of sexual harassment and will take appropriate action against any person found to have violated this policy. Individuals who engage in sexual harassment are subject to discipline, which may include, but is not limited to reprimand, reassignment, suspension, demotion, termination, or other sanctions.

D. Harassment Based on Other Protected Categories Prohibited

UCIP believes that a workplace free from hostile, intimidating, or offensive behavior is the most productive workplace. Employees should use courtesy and professionalism when interacting with coworkers. Employees who harass others based upon their color, national origin, age, religion or disability are subject to discipline, up to and including termination. All employees should work together in a professional manner with courteous, mutual respect.

Harassment based on color, national origin, age, religion or disability encompasses a wide range of behaviors, including racially based derogatory comments, taunting, or treatment. Examples of protected category harassment may include, but are not limited to, the following:

- 1. Slurs or put-downs based on color, national origin, age, religion or disability.
- 2. Materials such as cartoons or e-mails making fun based on color, national origin, age, religion or disability.

UCIP considers prompt reporting of harassment to be a condition of your employment. If you believe that you have experienced or witnessed harassment based on color, national origin, age, religion or disability, you must immediately report your concern to the Chief Executive Officer. If you feel uncomfortable reporting to the Chief Executive Officer, contact a member of the Board of Trustees.

UCIP will investigate allegations of protected category harassment and will take appropriate action against any person found to have violated this policy. Individuals who engage in protected category harassment are subject to discipline, which may include, but is not limited to reprimand, reassignment, suspension, demotion, termination, or other sanctions.

E. Computer and E-Mail Usage

UCIP recognizes that excessive personal use of Pool-owned computers during work hours can affect productivity. UCIP reserves the right to monitor computer usage, files stored on UCIP computers, and Internet usage.

For purposes of this policy, "files" means all documents, programs, e-mail, and Internet locations that are created, accessed, stored, or temporarily located on a UCIP computer.

- 1. <u>Personal Use</u>. Employees may use assigned computers for limited personal purposes. This approval is similar to the occasional personal use of telephones during breaks. Excessive use of the computer for personal reasons is not allowed.
- 2. <u>Inappropriate Usage</u>. Employees are not allowed to use a computer for self-employment, or outside employment purposes. Entering or maintaining information on a Pool computer that is in violation of UCIP's policies and procedures, or that violates state or federal law, is prohibited.
- 3. <u>Privacy</u>. All files created, accessed, or stored on a UCIP computer are considered UCIP property. Employees are advised that there is no right to privacy when using a UCIP Computer.
- 4. <u>Licenses</u>. Employees shall use computer software only in accordance with the license agreement. Copying software licensed to, or developed by, UCIP for home computer use or any other purpose is prohibited. Bringing software from home computers to run on UCIP computers is also prohibited.

Downloading of software onto UCIP computers is prohibited unless prior authorization has been provided by the Chief Executive Officer.

- 5. <u>Equipment</u>. Only authorized employees may purchase, move, alter, or repair computer equipment and wiring.
- 6. E-mail. Employees may use UCIP's e-mail functions as explained above.
- 7. Internet Access. Internet usage falls within the above constraints.
- 8. <u>Disciplinary Action</u>. Employees using Pool computers in an unauthorized or inappropriate manner may be disciplined. Discipline may include termination.

F. Seat Belt Use

Employees must use seatbelts while in vehicles performing UCIP business which includes travel eligible for reimbursement by UCIP.

G. Cell Phone Use

Cell phones should not be used while in vehicles performing UCIP business which includes travel eligible for reimbursement by UCIP when it is a distraction to driving. Whenever possible, the employee should use hands free phone equipment or pull over when safe to continue or return the phone call.

SECTION V - DISPUTE RESOLUTION PROCESS

A. Dispute Resolution Philosophy

UCIP encourages its employees to work to resolve disputes amicably and informally. When a dispute arises regarding suspension, transfer, demotion, or dismissal, full-time employees may seek redress through the dispute resolution process. When a dispute arises regarding unlawful discrimination, all employees may seek redress through the dispute resolution process. The following definitions apply to the dispute resolution process:

- 1. <u>Suspension</u>- An absence imposed as discipline, without pay, which may or may not result in further disciplinary action.
- 2. <u>Transfer</u>- An involuntary job assignment change from one department to another.
- 3. <u>Demotion</u>- A job classification change to a lower grade.
- 4. <u>Dismissal</u>- Involuntary termination from Pool employment
- 5. <u>Unlawful Discrimination-</u> A claim of discriminatory treatment based on a protected category such as race, color, national origin, sex, age, disability, or religion.

This dispute resolution process is intended to foster fair resolution of employee disputes. Therefore, procedure should not override efforts to amicably resolve differences. However, in order to expeditiously resolve disputes and minimize interference with the public's business, matters of timing should be adhered to unless good cause is shown or the parties agree to extensions.

UCIP prohibits retaliation against employees who utilize the dispute resolution process. Employees with questions regarding how the dispute resolution process works may seek counseling from the Chief Executive Officer regarding procedure; however, the Chief Executive Officer cannot comment or provide advice on the substantive issues in dispute. Employees may select a representative of their choice to represent them at any stage of the dispute resolution process.

UCIP urges employees to attempt to resolve disputes informally with the Chief Executive Officer. Before launching a formal review with the Chief Executive Officer, employees should attempt to resolve disputes by dealing directly with the individuals involved. However, UCIP recognizes that there are circumstances where employees may feel uncomfortable addressing issues directly with a supervisor. In such cases, employees may proceed directly to the next step of the dispute resolution process.

B. Dispute Resolution Procedure

UCIP's dispute resolution process involves two steps. Employees who are unhappy with the outcome of any step may proceed to the next step in the process. Step one of the dispute resolution process must be commenced within 30 calendar days of the event

giving rise to the dispute or within 30 calendar days of the time the employee reasonably should have known of the event giving rise to the dispute.

Step One: Chief Executive Officer Review

If a dispute remains unresolved after an informal attempt to work out a solution, an employee may file a written appeal with the Chief Executive Officer stating the basis of the dispute and outlining the employee's position. The Chief Executive Officer has ten working days to respond to the employee's dispute.

Step Two: Board of Trustees Review

If the employee is unsatisfied with the outcome of the Chief Executive Officer review, or if the Chief Executive Officer fails to respond within ten working days, the employee has ten working days from the receipt of the Chief Executive Officer's response, or the date the Chief Executive Officer should have responded, to file a written appeal with the Board of Trustees. The Board may request additional information from the parties involved and, at its discretion, may hold an informal hearing attended by the parties. If the Board elects to hold a hearing, the Board will issue a written decision to the parties within fifteen working days from the hearing date. If the Board elects not to hold a hearing, the Board will issue a written decision within fifteen working days of receipt of the last additional information requested by the Board from the parties.



SCHEDULE OF UCIP DISCRETIONARY BENEFITS

UCIP will provide the benefits outlined in the UCIP Employee Manual at the rates and under the terms and conditions described within this Schedule of UCIP Discretionary Benefits. All benefits described may be amended from time to time by action of the UCIP Board of Trustees, at their sole discretion.

Retirement Account Contributions

Pension Plan

UCIP contributes the allowable employer contribution into the Utah Retirement Systems Pension Plan for each eligible employee.

Individual Retirement Accounts

UCIP will provide each employee the option to participate in either or both a 401k plan administered by the Utah Retirement System and a 457 plan administered by Nationwide Insurance through the National Association of Counties. UCIP will contribute an amount equal to the amount contributed by the employee from the employee's payroll into the 401k plan and/or the 457 plan at the employee's discretion. The total UCIP contribution to the URS 401k Plan and the Nationwide 457 Plan shall not exceed 5% of the employee's eligible payroll.

Health Insurance

For the UCIP sponsored group health insurance coverage, UCIP pays 90% of the monthly premiums for employee coverage and 90% of the monthly premiums for the employee's spouse and eligible dependents coverage. The employee is responsible for all deductibles and co-payments.

Accidental Death and Dismemberment

For the UCIP sponsored group Accidental Death and Dismemberment insurance coverage, UCIP pays 100% of the monthly premiums for \$50,000 of coverage for the employee.

Dental and Optical Insurance

For the UCIP sponsored group dental and optical insurance coverage, UCIP pays 90% of the monthly premiums for employee coverage and 90% of the monthly premiums for the employee's spouse and eligible dependents coverage. The employee is responsible for all deductibles and co-payments.

Disability Insurance

For the UCIP sponsored group disability insurance coverage, UCIP pays 100% of the monthly premiums for \$50,000 coverage for employee coverage and 100% of the monthly premium for \$5,000 coverage for the employee's spouse and \$2,500 for eligible dependents.

Life Insurance

For the UCIP sponsored group life insurance coverage, UCIP pays 100% of the monthly premiums for \$50,000 coverage for the employee and 100% of the monthly premium for \$10,000 coverage for the employee's spouse and eligible dependents.

Auto Allowance

UCIP provides specific employees who regularly use their personal auto for UCIP business a Monthly Auto Allowance of \$750. The employee will be reimbursed for mileage only when the mileage for a UCIP approved business trip exceeds the Mileage Reimbursement Threshold of 100 Miles round trip.

Vacation

Eligible employees with less than five years of service earn vacation leave at the rate of one day of vacation leave for every month worked (one day for each full month of service). Employees with more than five but less than ten years of service earn 1.25 days per month, and employees with ten years of service and over earn 1.67 days per month. Vacation leave may be advanced to employees with the approval of the Chief Executive Officer. Advanced leave requests of more than 12 days must be submitted to the UCIP Board of Trustees for approval. Advanced leave not earned prior to a termination will be deducted from the employee's final pay check.

Sick Leave

Eligible employees earn sick leave at a rate of one day of leave for every month worked (one day for each full month of service). Sick leave is earned in whole day increments only.

Discretionary Award

Discretionary awards may not exceed \$250 per employee.



January 5, 2009

Mr. Johnnie R. Miller, ARM-P, CIC Chief Executive Officer Utah Counties Insurance Pool P.O. Box 760 Midvale, UT 84047

RE: ACTUARIAL SERVICES ENGAGEMENT LETTER

Dear Mr. Miller:

This letter outlines the scope and terms of our engagement with the Utah Counties Insurance Pool (UCIP) Multi-Line and Workers Compensation Programs.

SCOPE

BYNAC will prepare an actuarial report that estimates the required reserves as of 12/31/08 for each of UCIP's two programs. The reports will estimate the ultimate incurred losses of the prior policy periods for financial statement reporting. In addition, we will prepare an actuarial report prior to renewal for each program that determines the indicated premium for the 1/1-12/31/10 policy period.

FEES

Our proposed fee for the reserve analysis and premium indication reports for the Multi-Line program is \$4,750 per report. Our proposed fee for the two reports for the workers compensation program is \$4,250 per report. These fees include a trip to present our findings.

OUTCOME AND CONTINGENCY

Any opinions expressed are based on our actuarial experience and judgment and are limited by our knowledge of the facts at the time. We cannot and do not make promises or guarantees about the outcome of the analysis. In addition, your obligation to pay for services and expenses is not contingent upon the outcome of any matter.

Mr. Johnnie R. Miller, ARM-P, CIC January 5, 2009 Page Two

Thank you for the opportunity to provide services. If these arrangements are acceptable, please sign a copy of this letter in the space provided below and return it to me. If you have any questions, please let me know.





January 13, 2009

Board of Directors Utah Counties Insurance Pool 10980 South Jordan Gateway South Jordan, UT 84095

Dear Members of the Board:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for Utah Counties Insurance Pool (UCIP).

We will apply the agreed-upon procedures, which management has specified, listed below, to the accounting records of **UCIP** for the year ended December 31, 2008. This engagement is solely to assist management and the Board of Directors in determining that the PEHP employee benefits billings reconcile to the county records as maintained by UCIP. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed below do not constitute an examination, we will not express an opinion on g records and internal controls. In addition, we have no obligation to perform any procedures beyond those listed below.

AGREED-UPON PROCEDURES:

1. UCIP will provide PEHP's monthly electronic billings along with their billing records. We will review the records for reasonableness and determine any reconciling differences.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of management and the Board of Directors, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the reconciliation of PEHP's employee benefit billing with county records as maintained by UCIP.

Management is responsible for management decisions and functions, and for designating a qualified management-level employee to oversee the services we will provide. Management is responsible for evaluating adequacy and results of those services and accepting responsibility for such services. Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Geri A. Douglas is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for these services will be \$2,500. This fee estimate is based on an estimate of total hours and the staff positions of the individuals assigned.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,

LARSON & ROSENBERGER LLP

Geri A. Douglas, CPA Partner

Si a. Dryle

RESPONSE:

This letter correctly sets forth the understanding of Utah Counties Insurance Pool
By:
Title:
Date:



January 12, 2009

Audit Committee **Utah Counties Insurance Pool** 10980 South Jordan Gateway South Jordan, UT 84095

We are pleased to confirm our understanding of the services we are to provide Utah Counties Insurance Pool for the year ended December 31, 2008.

We will audit the financial statements of Utah Counties Insurance Pool as of and for the year ended December 31, 2008. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to accompany Utah Counties Insurance Pool's basic financial statements. As part of our engagement, we will apply certain limited procedures to Utah Counties Insurance Pool's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1. Management's Discussion and Analysis
- 2. Premiums and Loss Development Information

Audit Objective

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States) and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and

Utah Counties Insurance Pool

January 12, 2009 Page 2

will include tests of the accounting records of **Utah Counties Insurance Pool** and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. This report will include a statement that the report is intended solely for the information and use of the audit committee, management, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our financial statement preparation services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the **Utah Counties Insurance Pool** and the respective changes in financial position and where applicable, cash flows, in conformity with accounting principles generally accepted in the United States of America.

Management is also responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest

Utah Counties Insurance Pool January 12, 2009

Page 3

period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, or violations of contracts or grant agreements that we may report.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Utah Counties Insurance Pool January 12, 2009

Page 4

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or executive committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Audit Procedures—Compliance

Identifying and ensuring that **Utah Counties Insurance Pool** complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of **Utah Counties Insurance Pool's** compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Utah Counties Insurance Pool January 12, 2009 Page 5

Audit Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Larson & Company and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the State Auditor's Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Larson & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately March 16, 2009 and to issue our reports no later than May 18, 2009. Geri Douglas is the engagement partner and is responsible for supervising the engagement and signing the report. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$19,970. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation

Utah Counties Insurance Pool

January 12, 2009 Page 6

from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2005 peer review final acceptance letter accompanies this letter.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

LARSON & ROSENBERGER, LLP.

Geri A. Douglas, CPA Managing Partner

Si a. Drylan

RESPONSE:

This letter correctly sets forth the understanding of **Utah Counties Insurance Pool**

Ву: _	
Title:	
Date:	

UCIP LOSS CONTROL MANAGER'S REPORT

Mark Brady UCIP Loss Control Manager UCIP BOARD MEETING 15 January 2009

RE: New Format for Best Practices Program

Introduction

Several years ago it was the practice of the Pool to annually recognize the County with the lowest annual loss ratio, the County with the most improved loss ratio, as well as the County with the highest compliance with the Best Practices Program. This resulted in several inequities:

- 1. Over time it became apparent that the lowest annual loss ratio award always went to a small county that had zero losses for the year. There was therefore no way to recognize larger counties with good loss histories who nevertheless had a loss or two during the year.
- 2. It was also apparent that the most improved loss ratio would be given to the county that had an extremely bad year followed by at least a reasonably good year. There was therefore no way to recognize those counties consistently improving their loss history. Furthermore, loss history was computed purely on net incurred loss (which includes defense costs) rather than factoring in sound risk management practices. In short, Counties that were good risks who were unfortunate enough to be sued, were not being recognized for being judgment proof.
- 3. Finally, Counties could perform well on paper by complying with the Best Practices Program and yet still perform poorly in terms of loss ratio. This was, in part, because of the way net incurred loss is calculated, but also because, while policies and systems were in place, the County had not mobilized significantly to control loss. Part of the fault must also be given to the format of the Best Practice Program itself. In an effort to be comprehensive, it did not always adequately address the global risk management needs of the various county departments. And the Best Practices Program was designed to be enforced by a single individual who frequently did not have access to all documentation nor had requisite authority to demand compliance.

Over the years, recognition for the best annual loss ratio and the most improved loss ratio were eliminated for the reasons given above. The Best Practices Program has continued to evolve in order to address newly ascertained exposures and at the same time continue to require compliance with sound risk management fundamentals. This effort has only been partially successful.

Because of the above-noted issues and other concerns, a new program is being proposed.

Effective Incentive-Based Programs

In order to be effective, incentive based risk management programs should have the following qualities:

- 1. Targeted to reach managers who can control implementation of loss control measures. (i.e. policies, procedures, training, discipline).
- 2. Not limited to just few "hot" areas but to require continuing adherence to sound risk management practices in each area of risk.
- 3. Results oriented. If it doesn't improve actual performance, it is worthless.
- 4. Directed to operational objectives that can be controlled through the application of loss control techniques.
- 5. Fairly administered vis-a-vis the several counties.
- 6. Realistic and measureable goals
- 7. Promote the efficient operation of the County and allow it to fulfill its organizational objectives.
- 9. Promote buy-off at all levels: countywide, departmental, and individual.
- 10. Adequate resources to assist County departments in implementing appropriate responses to risk.

Blue Ribbon Recognition

It is proposed that a loss control program be implemented that recognizes compliance with sound risk management practices and success at controlling loss.

I. Departmental Recognition

Blue Ribbon Recognition will be applied to those Departments and operations that have demonstrated compliance with sound risk management practices and have actually controlled loss. In order to better facilitate accountability in loss control, UCIP will directly access County operations by department or operation. Specifically, the County operations set forth herein below will be tasked with the duty to demonstrate compliance with UCIP policy and procedures as well as training protocols. Furthermore, each department's performance will be analyzed in terms of its loss ratio. UCIP will provide each department with its loss history and counsel with the department on strategies for

controlling loss. Departments that achieve all targets in loss control practices and loss ratio will receive blue ribbon status.

For departments whose operations are showing improvement but do not qualify in all areas will also receive appropriate recognition.

- A. Targeted Operations: Multiline Pool
- 1. Law Enforcement
- 2. Jail Operations
- 3. Public Works
- 4. Fleet Operations/Automobile Safety
- 5. Human Resources
- 6. Planning and Zoning
- 7. Public Safety (Fire/Ambulance)
- 8. Other General Liability
- B. Targeted Operations: Workers' Compensation Pool
- 1. Law Enforcement
- 2. Jail
- 3. Road Crew
- 4. Fire /Ambulance
- 5. Fleet/Auto

II. Other Recognition

Blue Ribbon County recognition will be awarded to those counties whose departments and operations have achieved blue ribbon status. Recognition of lesser achievements will also be available.

Recognition will also be provided for individuals from the various county departments who have shown exceptional achievement in risk management on behalf of their department or County.

III. Calculating Loss Ratios

Because of the volatile nature of loss in the area of General Liability (GL) and the cost of claim defense, loss ratios for GL claims will normally be determined by calculating actual loss absent defense costs. All other loss ratios will be calculated as a function of net incurred loss. Loss ratio will be evaluated based on the department's performance over the previous three-years.

IV. Model Policies and Procedures

Often, UCIP will be recommending that Counties adopt policies or procedures in order to address certain kinds of risks. Where particular elements are required to be developed in policies, UCIP will provide Model Policies with the critical language and shall post such policies on the UCIP website. The County is then free to adapt such policies for its own use.

Where possible, UCIP will endeavor to create model policies in conjunction with UCIP Committees. The committees will act in advisory capacity in reviewing policies and procedures for feasibility and compliance with applicable statutes and regulations.

V. Submitting for Verification

Under the Blue Ribbon Program, there will be no requirement to have a year-end risk management review. The UCIP Loss Control Manger will make County visits throughout the year as needed and will confer with various department heads and committees. Counties will be encouraged to submit policies and other verifying information electronically. Paper submissions will also be accepted.

Once a given set of policies or procedures has been submitted, it need not be submitted in subsequent years in order to prove compliance as long as representation is made that such policy continues in force. Resubmission will only be required when a change in policy or procedure has been made by the department or County or has been recommended by UCIP.

VI. Blue Ribbon Evaluation

Evaluation of blue ribbon status will be performed by an internal UCIP Committee which will be comprised of the CEO, Loss Control Manager, and relevant Claims Manager. The

Committee will meet and evaluate status for each county department during January in order to determine awards for the previous year.

The evaluation process will take into account the following:

- 1. Adoption of Recommended policies and procedures.
- 2. Efforts to apprise employees and official on the policies and the training provided.
- 3. Demonstrated efforts in enforcing policies.
- 4. Implementation of appropriate loss control techniques.
- 5. Loss Ratio

Results of the Blue Ribbon evaluation for the previous year will be announced at the annual Insurance Coordinators Workshop. Where Blue Ribbon status has been awarded, a UCIP representative will be made available to recognize the achievement at a County Commission/Council meeting or other recognition ceremony.

VII. Monetary Recognition

Expenditures and credits in recognition of achievement under the Blue Ribbon program may only be made with the approval of the UCIP Board of Trustees. Ideally such recognition should only be made after demonstrated compliance with targeted loss ratios. Any recognition shall be broken out by department in order to reflect the relative value of the risk management effort between departments.

VII. Development of Requirements

The UCIP Loss Control Manager will develop and implement the Blue Ribbon Program requirements during 2009. All program requirements we be developed based upon UCIP loss history, the experience of like entities and emerging nationwide trends. Loss Ratio targets will be determined based upon size and operation.

Conclusion

I am confident that the proposed Blue Ribbon Program will allow UCIP to work directly with individuals who are tasked with initiating change in organizational culture in our County departments. By making department heads ultimately accountable for risk management in their operations we can more accurately deal with the actual causes of loss and more effectively bring resources to bear to address those losses.

Furthermore, concentrating on the department as a whole allows us the ultimate flexibility to implement effective responses to emerging trends as well as require continuing accountability for sound risk management practices. This is something we are unable to do under the current Best Practices arrangement.

The proposed program eliminates year-end monitoring that created burdensome demands during an already hectic season for our County managers involved budget meetings and elections. It also gives us the opportunity to recognize achievement on a County, departmental, and individual basis.

By providing County managers with model policies and procedures along with the training that we have always given, we are supporting County risk management efforts in significant ways—reducing the amount of time and effort required in coming into compliance. Finally, by adding a loss ratio target we are able to ensure that the risk management efforts required are not mere "window dressing" but are actually being internalized and effectively utilized by our County departments.



LOSS PREVENTION COMMITTEES

ADVISORY

CONSTITUTED 6/13/97

- Maloy Dodds, Garfield County Commissioner
- Norman Weston, Rich County Commissioner
- Gary Mason, Sevier County Commissioner

AUDIT

CONSTITUTED 12/21/95

- Lynn Lemon, Chair, Cache County Executive
- Wayne Smith, Iron County Commissioner
- Kent Sundberg, Utah County Deputy Attorney
- Steve Wall, Sevier County Clerk-Auditor

BENEFITS POOL PLANNING CONSTITUTED 02/17/05

- Brad Dee, Weber County Human Resources Director
- Lynn Lemon, Cache County Executive
- Kent Sundberg, Utah County Deputy Attorney

BUILDING

CONSTITUTED

- Jim Eardley, Washington County Commissioner
- Lynn Lemon, Cache County Executive
- Steve Wall, Sevier County Clerk-Auditor
- Steve White, Utah County Commissioner

BYLAWS

CONSTITUTED

- Kay Blackwell, Chair, Piute County Commissioner
- Jim Eardley, Washington County Commissioner
- Steve Wall, Sevier County Clerk-Auditor
- Steve White, Utah County Commissioner

COVERAGE AGREEMENT REVIEW CONSTITUTED 12/21/95

- Ken Bischoff, Chair, Weber County Commissioner
- Bruce Adams, San Juan County Commissioner
- Jerry Hess, Davis County Deputy Attorney
- Kent Sundberg, Utah County Deputy Attorney

LAW ENFORCEMENT

CONSTITUTED 2/20/92

- · LaMar Guymon, Chair, Emery County Sheriff
- · James Cordova, Carbon County Sheriff
- Bud Cox, Davis County Sheriff
- · Alden Orme, Juab County Sheriff
- Brad Slater, Weber County Sheriff
- · Kirk Smith, Washington County Sheriff

LITIGATION MANAGEMENT

CONSTITUTED 2/20/92

- Kent Sundberg, Chair, Utah County Deputy Attorney
- Brock Belnap, Washington County Attorney
- David Blackwell, Emery County Attorney
- Dale Eyre, Sevier County Attorney
- Doug Hogan, Tooele County Attorney
- Thomas Low, Wasatch County Attorney
- Dave Wilson, Weber County Deputy Attorney
- Johnnie Miller, UCIP Chief Executive Officer
- Mark Brady, UCIP Loss Control Manager
- Korby Siggard, UCIP Claims Manager

NOMINATING

CONSTITUTED 06/27/02

- Kay Blackwell, Chair, Piute County Commissioner
- Jim Eardley, Washington County Commissioner
- Karla Johnson, Kane County Clerk-Auditor

PERSONNEL

CONSTITUTED 6/18/92

- Brad Dee, Chair, Weber County Human Resources Director
- Pam Ayala, Tooele County Human Resources Director
- Paul Barton, Beaver County Clerk-Auditor
- Valeen Brown, Piute County Clerk-Auditor
- Diana Carroll, Grand County Clerk-Auditor
- Dennis Dooley, Carbon County Personnel Director
- Cyndi Eldridge, San Juan County HR/Personnel Director
- Colette Eppley, Iron County Personnel
- Rhonda Gant, Kane County Human Resources
- Brandy Grace, Millard County Auditor
- Lana Jensen, Utah County Personnel Director
- Mary Huntington, Emery County Personnel
- Peggy Madsen, Box Elder County Personnel Director
- Carrie Mascaro, Duchesne County Personnel
- Joe McKea, Uintah County HR Director/Risk Manager
- · Camille Moore, Garfield County Clerk-Auditor
- · Eileen Nelson, Morgan County Personnel
- Ilene Roth, Sanpete County Auditor
- David Rowley, Wasatch County Human Resources
- Mike Seely, Juab County Administrator
- Jim Smith, Cache County Personnel Director
- Ryan Torgerson, Wayne County Clerk-Auditor
- · Steve Wall, Sevier County Clerk-Auditor
- John Willie, Washington County Administrator
- · David Yardley, Iron County Clerk

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Payments December 1, 2007 - January 24, 2008 **Utah Counties Insurance Pool**

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Utah Counties Insurance Pool Payments December 1, 2007 - January 24, 2008

Туре	Date	Num	Name	Memo	Split	Amount
Check	12/31/2008	4918	Verizon Wireless	Invoice Number: 0718195795	-SPIIT-	55.5
Check	12/31/2008	4919	Steve White	Expense Reimbursement	-SPLIT-	-143 33
Check	12/31/2008	4920	Kay Blackwell	Mileage Reimbursement	-SPIIT-	-37 44
Check	12/31/2008	4921	Gerald Hess	Mileage Reimbursement	-SPIIT-	-215.87
Check	12/31/2008	4922	James Eardley	Expense Reimbursement	-SPIIT-	-193.05
Check	12/31/2008	4923	Bruce Adams	Expense Reimbursement	-SPLIT-	-263 25
Check	12/31/2008	4924	Kent Sundberg	Expense Reimbursement	-SPLIT-	-152 10
Check	12/31/2008	4925	Brad Dee	Expense Reimbursement	-SPLIT-	-320.74
Check	12/31/2008	4926	Office Depot	Account Number: 35538769	-SPLIT-	-578 58
Check	12/31/2008	4927	Best Western Town & Country		-SPLIT-	-1 540 00
Check	12/31/2008	4928	Mark W. Brady	Expense Reimbursement	-SPLIT-	-570 00
Check	12/31/2008	4929	Arthur J. Gallagher & Co.	Invoice Number: 85138	TULIP	-4 495 00
Check	12/31/2008	4930	Sonya J. White	Expense Reimbursement	-SPLIT-	-119.40
Total WF-Expense	10					-103,021.68
WF-Work Comp Expense	Expense					1.
Total WF-Work Comp Expense	omp Expense					
TOTAL						-103,021.68



JOINT POLICY CONFLICT OF INTEREST

The Utah Counties Insurance Pool, (hereinafter referred to as "UCIP"), recognizes that the various members of the Board of Trustees and the Chief Executive Officer bring to UCIP a number of perspectives and interests that are created by the nature of the elective and appointive offices which they hold in their respective counties. UCIP recognizes that the members of the Board of Trustees and the Chief Executive Officer, accordingly, need a benchmark, criterion or standard against which to balance the competing interest they represent.

This policy provides guidelines to the members of the Board of Trustees and the Chief Executive Officer regarding conflicts of interest. It is the intention of the Joint Policy Committee that this policy would mesh with the Joint Policy on Board Member and Chief Executive Officer Responsibility and would provide practical guidance to Trustees and the Chief Executive Officer in fulfilling their responsibilities as Trustees or Chief Executive Officer.

- 1. Trustees and the Chief Executive Officer shall not request, receive, or accept a gift or loan for themselves or another if:
 - a. it tends to influence the Trustees or the Chief Executive Officer in the discharge of his or her official acts as a Trustee or Chief Executive Officer; or
 - b. she/he, within two years, has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender in connection with his or her membership on the Board or as the Chief Executive Officer.
- 2. The prohibition set forth in Section 1 above shall not apply to:
 - a. an occasional nonpecuniary gift or meal, not in excess of \$50.00 per individual;
 - b. an award publicly presented in recognition of public service;
 - c. a commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
 - d. a political campaign contribution, provided that such gift or loan is actually used in a political campaign and is subject to Utah law regarding such gifts or loans.

- 3. Trustees shall disqualify themselves from participating in any official action of the Board that affects a business in which that Trustee has a financial interest as defined in Sections 67-16-8 and 67-16-9 Utah Code Annotated 1953 as amended.
- 4. Trustees shall not acquire a financial interest at a time when they believe or have reason to believe that it will be directly affected by their official action on the Board.
- 5. Trustees and the Chief Executive Officer shall not use or divulge to any person confidential information acquired by virtue of their membership on, or participation with, the Board for their or another's private gain. Confidential information for the purpose of this paragraph shall be defined as all information disclosed or discussed in any executive session of the Board and any information disclosed or discussed in any meeting of the Board which is confidential under law, statute or practice and which is otherwise not available to the public.
- 6. The Chief Executive Officer of UCIP and each Trustee shall complete a disclosure form provided by UCIP at the first meeting of the Board during each fund year. That completed form shall affirm the person's awareness of this policy statement and either state that no described conflicts exist, or make all required disclosures.
- 7. The information on the disclosures, except for the valuations attributed to the reported interests, shall be made available by the Secretary of the Board for inspection by any UCIP member county representative. The valuation shall be confidential for all purposes except for proceedings for violation of the disclosure requirement of this policy.
- 8. Regarding possible conflicts of interest involved in discussing claims and/or litigation arising from claims referred to the Board of Trustees from the UCIP claims department and/or the UCIP Litigation Management Committee:
 - a. a Trustee from the defending county will excuse himself/herself from the room during the discussion of the claim, and;
 - b. proceedings of meetings closed for discussion of litigation are confidential.

Amendments Adopted 2/14/08

Conference Brochure

2009 2 D Spring Conference

TAKING THE LEAD HOLDINGIT

A Conference for governing board members, staff, AGRiP Partners and all others who have an interest or stake in the management or operations of public entity risk and benefits pools.

Conference Highlights

Join colleagues from across the U.S. and Canada for a series of high-impact sessions to help pools provide value-added services as value-driven organizations. The 2009 Spring Conference includes:

> Six General Sessions to help "rev-up" your pool's power Concurrent Sessions to fine tune your operations Numerous opportunities to learn from "pit crews" from other pools An opportunity to test your driving skills at the Daytona International Speedway Special sessions for Pool Corporate Counsel

CONFERENCE SCHEDULE

SUNDAY - March 8

1:30-7:00 pm Registration and Reading Room

6-7:30 pm Reception

MONDAY - March 9

7:30 am Registration and Reading Room

9:00 am Opening Session

Jack Gallagher

Revving Up Your World with Jack Gallagher

Conference Facility - Hilton Daytona Beach Oceanfront Resort 100 North Atlantic Avenue - Daytona Beach, FL 32118 Make your reservations early! Hotel guaranty expires February 4, 2009 Hotel Reservations Phone: 866.536.8477

The brochure and registration form for the 2009 AGRiP Spring Conference and online hotel reservation link are available at www.agrip.org.

Daytona Beach | Florida

MONDAY - March 9 (continued from page 1)

10:45 am

CONCURRENT SESSIONS

The Most Important Person to an Injured Employee – Speaker: Frank Pennachio, Senior Consultant, Injury Management Partners

Multiple studies have shown that an employee's front line supervisor is the most important person in your organization when an employee is



Frank Pennachio

injured on the job. This session will provide key elements of a supervisor training program to leverage their relationship with an injured employee. Using Employee Assessments and Testing to Hire the Best – Speaker: Brenda JM Sabin, CBP, Director of Operations, HRSentry

Learn why pools and public entities use employee assessments in their hiring processes. Learn about performance assessment and testing instruments which can help to reduce the potential for bad decisions in hiring while staying compliant with various employment laws.

Pool Counsel Track Session 1

NOON

Lunch

1:15 pm

CONCURRENT SESSIONS

Using Excess Pools for Hard to Place Risks - the New Jersey Experience — Panelists: David Grubb, Executive Director, Municipal Excess Liability Joint Insurance Fund and the Residual Claims Fund; James Kickham, Executive Director, New Jersey Environmental Liability Risk Management Fund; and Paul Laracy, Executive Director, Municipal Reinsurance Health Insurance Fund

Beginning as early as 1987, pools in New Jersey created four joint insurance funds that provide excess and special risk coverage to primary level pools. This session will review how these funds reduce the long-term cost of excess and special risk coverage. It will also explore the use of such arrangements to manage and finance hard to place risks such as superfund liabilities.



Marie Milie Jones

The Medicare Secondary Payer Statute - What is New and What is Not! - Speaker: Marie Milie Jones, Esquire, Meyer; Darragh, Buckler, Bebenek & Eck

On July 1, group health, liability and workers' compensation plans will be required by the Medicare Secondary

Payer Statute to gather and report information about claimants who are Medicare eligible. This session will provide an overview of the law and regulations for this new program along with suggestions on what should be provided, the format for submissions and how to work with Coordination of Benefits contractors.

Pool Counsel Track Session 2

2:45 pm

CONCURRENT SESSIONS

Unsafe at Any Speed – Understanding Rating Agency Evaluations to Assess (Re)Insurance Company Solvency – Speaker: Stephen Molieri, CPA, ARe, Vice President – Market Services, Towers Perrin

Given the heightened importance of financial security in today's economy, understanding ratings and key hot buttons to gauge the financial strength of reinsurers and pools is even more critical than ever before. This session will discuss key drivers of rating analysis including the business profile, profitability and capitalization. In addition, major hot buttons will be identified to provide an analytical framework of areas important to achieving long-term profitability and stability.

Adapting to Change and Loving It – Speaker: Jack Gallagher

The world around us changes everyday. We recognize it with new technology, with communications and in almost every aspect of our lives. Changes can be big, or small. How we handle change, now that's the tricky part. In this presentation, Jack Gallagher tackles this very subject. Prepare to be entertained while taking a new look at something we all struggle with.

Pool Counsel Track Session 3

2009 agrip Spring Conference

4:00 pm

Sandy Schenck

GENERAL SESSION: Consumerology: Applying Behavioral Economics to Pool Marketing Speaker: Sandy Schenck, Director, Consumer Engagement, Express Scripts Inc.

Pools generally rely on classical marketing and routine communications to market the pool to existing and prospective members. Reliance on these approaches, however, may not be sufficient during the next "soft" market, whenever that may be. This session will review emerging findings from the science of behavioral economics that are being applied in the pharmacy benefit field which pools may be able to adapt to drive meaningful changes in pool marketing and communications strategies for all lines of coverage.

TUESDAY - March 10

7:30 am

Registration and Reading Room Open

Facilitated Breakfast Discussions by Type of Members

9:15 am

GENERAL SESSION: Why Things Go Right – Why Things Go Wrong

Speaker: Gordon Graham, Co-President, Lexipol

This session will focus on the "The Five Pillars of Success" based on getting and keeping good PEOPLE, developing good organizational POLICY, assuring that all personnel are given good TRAINING, backed up with real SUPERVISION and prompt fair and impartial DISCIPLINE. Attendees will learn ideas that can be initiated in the workplace immediately to improve performance. Included are a series of rules to prevent incidents from going wrong.



Gordon Graham

10:45 am

CONCURRENT SESSIONS

Leading Change isn't a Spectator Sport - Speaker: Patrick Ibarra, President, The Mejorando Group

During times of unprecedented change, leaders of organizations have the opportunity to refresh the focus and spirit of members of their workforce, resulting in a higher motivated workforce delivering superior service. This session focuses on identifying common scenarios related to managing change initiatives and how to translate the forces for change into a tailwind with practical, tactical and impactful ideas to be implemented in any pool setting.

Pool Counsel Track Final Session

NOON

Lunch and Annual Membership Meeting

1:15 pm

GENERAL SESSION: When Things Go Terribly Wrong

Speaker: Thomas Dwyer, President and Executive Director, Rhode Island

Interlocal Risk Management Trust

How the aftermath of the February 20, 2003 fire at The Station nightclub in West Warwick, RI affected the city and the Rhode Island risk pool – and scores of others – is a compelling lesson in the breadth of the legal and public policy issues that often spring from tragic circumstances. To date, more than \$176 million has been offered by the dozens of parties sued after the fire that claimed 100 lives and injured about 200 others, many with horrific life disfiguring injuries.

Tom Dwyer's intimate knowledge of the complex and often convoluted details surrounding the fire and still on-going legal issues and settlement processes make this a "must attend" session. The details will cause you to "think twice" about how well your organization has prepared for "when things go wrong" regardless of line of coverage.

3:30 pm

The Daytona 500 Experience™ – Board buses to race to the Daytona International Speedway to spend a few hours inside this interactive attraction. It's an experience that makes memories to last a lifetime.

(continued on page 4)

2009 agrip Spring Conference

TUESDAY – March 10 (continued from page 3)

7:00 pm

Final bus returns to hotel. Open evening.

WEDNESDAY - March 11

7:30 am

Registration and Reading Room Open

Facilitated Breakfast Discussions by Issues

9:15 am

GENERAL SESSION - How Pools Fared in the 2008 Financial Meltdown and How to Bank the

Curve for 2009 and Beyond - Speaker: Joseph Finn, Principal, Punter Southall

The conservative "public funds" investment policies adopted by most public entity risk and benefits pools helped them to avoid the cataclysmic jolts felt by many financial services industries in 2008. Emphasis turned at many organizations to how well managers and custodians were faithful to their duties. And now that we are well into 2009, learn what pools are or could be doing to fine tune their portfolios and guidelines for both the short and long term.

10:45 a.m.

GENERAL SESSION – There is More Than One Way to Reach the Checkered Flag – Speaker: Craig Farmer, Senior Partner, Farmer Smith &

Lane, LLP

Just as teams use different strategies and formulas to try to be first to cross the finish line at the Daytona Speedway, so do pools when it comes to formulating their coverage documents. This session will compare and contrast coverage documents from a dozen pools as each tries to find the right formula to earn the checkered flag from their members.



Craig Farmer

Noon

Conference ends

Special Track For Pool General Counsel

- Session One -

Section 1983 Update – Speaker: David Lee, private practice defense

counsel.

- Session Two -

Drafting, Review and Negotiation of Pool Contracts

Speakers: Mark Rauch, General Counsel, City County Insurance Services

(OR), and Stephen Reel, General Counsel, Oklahoma Municipal

Assurance Group.

- Session Three -

Bad Faith Claims with Members and Reinsurers - Speaker: Robert

Cutbirth, Partner, Tucker, Ellis and West; and General Counsel, Schools

Insurance Authority (CA).

- Session Four -

Commonly Recurring Coverage Issues for Pool Counsel

Speaker: Craig Farmer, Senior Partner, Farmer Smith & Lane, LLP.

Tuesday Facilitated Breakfast Discussion - Open topics

DAYTONA 500

AFFIDAVIT OF KAY BLACKWELL

STAT	E OF U	JTAH	
COU	NTY OI	F SALT LAKE	SSS .
	Kay Bla	nckwell, being duly sworn up	on oath, deposes and says:
	1.	That the affiant has person	l knowledge of the matters hereinafter referred to in this Affidavit.
	2.	That the Affiant, on or abo	at the 15 day of January, 2009, presided over a meeting of the Utah
Countie	s Insuran	ce Pool Board of Trustees, a	n open and public meeting within the provisions of Chapter 4, Title 52, Utah Code
Annotat	ed, 1953,	, as amended.	
	3.	That a quorum of the Utah	Counties Insurance Pool Board of Trustees was present and at least two-thirds of
the men	nbers pres	sent, voted to close the meet	ng pursuant to the provisions of Section 52-4-4, Utah Code Annotated, 1953, as
amende	d, for the	purpose of discussing the cl	aracter, professional competence, or physical or mental health of an individual.
	4.	That the affiant was presen	throughout the meeting and, pursuant to the provisions of Section 52-4-7.5, the
affiant o	loes herel	by affirm that the sole purpo	se for closing the meeting was to discuss the character, professional competence,
or physi	ical or me	ental health of an individual	or individuals.
	FURTH	ER, Affiant saith not.	
	DATED	this <u>15</u> day of	fanuary , 2009.
			(ay Deall
			KAY BLACKWELL, President Utah Counties Insurance Pool
	On the	15 day of Janua	2009, personally appeared before me Kay Blackwell, who, after being by me
duly sw	orn, depo	sed and said that the inform	tion contained in the above and foregoing Affidavit is true and correct.
			Convolute
			NOTARY PUBLIC
	SECTION TO	NOTARY PUBLIC SONYA WHITE	Residing at:
		6900 S. 900 E. Ste. 230 Midvale, UT 84047 Midvale, UT 84047 Midvale, UT 84047	My Commission Expires: 4(18/2010



LOSS PREVENTION COMMITTEES

ADVISORY CONSTITUTED 6/13/97

- Maloy Dodds, Garfield County Commissioner
- Norman Weston, Rich County Commissioner
- Gary Mason, Sevier County Commissioner

AUDIT

CONSTITUTED 12/21/95

- Lynn Lemon, Chair, Cache County Executive
- Wayne Smith, Iron County Commissioner Chair
- Kent Sundberg, Utah County Deputy Attorney
- Steve Wall, Sevier County Clerk-Auditor

- Steve White BENEFITS POOL PLANNING CONSTITUTED 02/17/05

- Brad Dee, Weber County Human Resources Director
- Lynn Lemon, Cache County Executive
- Kent Sundberg, Utah County Deputy Attorney

 Terry

 BUILDING

 CONSTITUTED
- Jim Eardley, Washington County Commissioner
- Lynn Lemon, Cache County Executive
- Steve Wall, Sevier County Clerk-Auditor
- Steve White, Utah County Commissioner

BYLAWS

- Kay Blackwell, Chair, Piute County Commissioner
- Jim Eardley, Washington County Commissioner
- Steve Wall, Sevier County Clerk-Auditor
- Steve White, Utah County Commissioner

COVERAGE AGREEMENT REVIEW CONSTITUTED 12/21/95

- Ken Bischoff, Chair, Weber County Commissioner
- Bruce Adams, San Juan County Commissioner
- · Jerry Hess, Davis County Deputy Attorney
- Kent Sundberg, Utah County Deputy Attorney

LAW ENFORCEMENT CONSTITUTED 2/20/92

- LaMar Guymon, Chair, Emery County Sheriff
- James Cordova, Carbon County Sheriff
- · Bud Cox, Davis County Sheriff
- Alden Orme, Juab County Sheriff
- Brad Slater, Weber County Sheriff
- Kirk Smith, Washington County Sheriff

LITIGATION MANAGEMENT

CONSTITUTED 2/20/92

- Kent Sundberg, Chair, Utah County Deputy Attorney
- · Brock Belnap, Washington County Attorney
- David Blackwell, Emery County Attorney
- Dale Eyre, Sevier County Attorney
- Doug Hogan, Tooele County Attorney
- Thomas Low, Wasatch County Attorney
- Dave Wilson, Weber County Deputy Attorney
- Johnnie Miller, UCIP Chief Executive Officer
- Mark Brady, UCIP Loss Control Manager
- Korby Siggard, UCIP Claims Manager

NOMINATING

CONSTITUTED 06/27/02

- Kay Blackwell, Chair, Piute County Commissioner
- Jim Eardley, Washington County Commissioner
- Karla Johnson, Kane County Clerk-Auditor

PERSONNEL

CONSTITUTED 6/18/92

- Brad Dee, Chair, Weber County Human Resources Director
- Pam Ayala, Tooele County Human Resources Director
- Paul Barton, Beaver County Clerk-Auditor
- Valeen Brown, Piute County Clerk-Auditor
- Diana Carroll, Grand County Clerk-Auditor
- Dennis Dooley, Carbon County Personnel Director
- Cyndi Eldridge, San Juan County HR/Personnel Director
- Colette Eppley, Iron County Personnel
- Rhonda Gant, Kane County Human Resources
- Brandy Grace, Millard County Auditor
- Lana Jensen, Utah County Personnel Director
- Mary Huntington, Emery County Personnel
- Peggy Madsen, Box Elder County Personnel Director
- Carrie Mascaro, Duchesne County Personnel
- Joe McKea, Uintah County HR Director/Risk Manager
- Camille Moore, Garfield County Clerk-Auditor
- Eileen Nelson, Morgan County Personnel
- Ilene Roth, Sanpete County Auditor
- David Rowley, Wasatch County Human Resources
- Mike Seely, Juab County Administrator
- Jim Smith, Cache County Personnel Director
- Ryan Torgerson, Wayne County Clerk-Auditor
- Steve Wall, Sevier County Clerk-Auditor
- John Willie, Washington County Administrator
- David Yardley, Iron County Clerk

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Payments December 1, 2007 - January 24, 2008 **Utah Counties Insurance Pool**

Amount	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Split	- SPLIT S
Memo	Direct Deposit Direct
Name	Anne M. Ayrton Johnnie R. Miller Kathy H. Stone Korby M. Siggard Lisa O. Brown Mark W. Brady Shaney M. Kelleher Sonya J. White Susan E. Gonce QuickBooks Payroll Service Anne M. Ayrton Johnnie R. Miller Kathy H. Stone Korby M. Siggard Lisa O. Brown Mark W. Brady Shaney M. Kelleher Sonya J. White Susan E. Gonce QuickBooks Payroll Service Anne M. Ayrton Johnnie R. Miller Kathy H. Stone Korby M. Siggard Lisa O. Brown Mark W. Brady Shaney M. Kelleher Sonya J. White Susan E. Gonce QuickBooks Payroll Service United States Treasury Wells Fargo
Num	ONLINE ONLINE ONLINE ONLINE ONLINE ONLINE ONLINE VISA VISA 4908 4908 4911 4911 4911 4911 4911 4911
Date	12/15/2008 12/15/2008 12/15/2008 12/15/2008 12/15/2008 12/15/2008 12/15/2008 12/11/2008 12/31/2008 12/31/2008 12/31/2008 12/31/2008 12/31/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2009 1/15/2008 12/31/2008
Type	WF-Expense Paycheck Check Chec

Payments December 1, 2007 - January 24, 2008 **Utah Counties Insurance Pool**

1014	Total WF-Work Comp Expense	WF-Work Comp Expense	Total WF-Expense	Check 12/31/2008	Check 12/31/2008 4	12/31/2008	12/31/2008	Check 12/31/2008 4	12/31/2008	12/31/2008	12/31/2008	12/31/2008	12/31/2008	12/31/2008	Check 12/31/2008 4	Check 12/31/2008 4	Type Date
				4930	4929	4928	4927	4926	1925	4924	4923	4922	1921	4920	4919	4918	Num
				Sonya J. White	Arthur J. Gallagher & Co.	Mark W. Brady	Best Western Town & Country	Office Depot	Brad Dee	Kent Sundberg	Bruce Adams	James Eardley	Gerald Hess	Kay Blackwell	Steve White	Verizon Wireless	Name
				Expense Reimbursement	Invoice Number: 85138	Expense Reimbursement		Account Number: 35538769	Expense Reimbursement	Expense Reimbursement	Expense Reimbursement	Expense Reimbursement	Mileage Reimbursement	Mileage Reimbursement	Expense Reimbursement	Invoice Number: 0718195795	Memo
				-SPLIT-	TULIP	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	-SPLIT-	Split
-103.021.68			-103,021.68	-119.40	-4,495.00	-5/0.00	-1,540.00	-578.58	-320.74	-152.10	-263.25	-193.05	-215.87	-37.44	-143.33	-65.61	Amount



JOINT POLICY CONFLICT OF INTEREST

The Utah Counties Insurance Pool, (hereinafter referred to as "UCIP"), recognizes that the various members of the Board of Trustees and the Chief Executive Officer bring to UCIP a number of perspectives and interests that are created by the nature of the elective and appointive offices which they hold in their respective counties. UCIP recognizes that the members of the Board of Trustees and the Chief Executive Officer, accordingly, need a benchmark, criterion or standard against which to balance the competing interest they represent.

This policy provides guidelines to the members of the Board of Trustees and the Chief Executive Officer regarding conflicts of interest. It is the intention of the Joint Policy Committee that this policy would mesh with the Joint Policy on Board Member and Chief Executive Officer Responsibility and would provide practical guidance to Trustees and the Chief Executive Officer in fulfilling their responsibilities as Trustees or Chief Executive Officer.

- 1. Trustees and the Chief Executive Officer shall not request, receive, or accept a gift or loan for themselves or another if:
 - a. it tends to influence the Trustees or the Chief Executive Officer in the discharge of his or her official acts as a Trustee or Chief Executive Officer; or
 - b. she/he, within two years, has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender in connection with his or her membership on the Board or as the Chief Executive Officer.
- 2. The prohibition set forth in Section 1 above shall not apply to:
 - a. an occasional nonpecuniary gift or meal, not in excess of \$50.00 per individual;
 - b. an award publicly presented in recognition of public service;
 - c. a commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
 - d. a political campaign contribution, provided that such gift or loan is actually used in a political campaign and is subject to Utah law regarding such gifts or loans.

- 3. Trustees shall disqualify themselves from participating in any official action of the Board that affects a business in which that Trustee has a financial interest as defined in Sections 67-16-8 and 67-16-9 Utah Code Annotated 1953 as amended.
- 4. Trustees shall not acquire a financial interest at a time when they believe or have reason to believe that it will be directly affected by their official action on the Board.
- 5. Trustees and the Chief Executive Officer shall not use or divulge to any person confidential information acquired by virtue of their membership on, or participation with, the Board for their or another's private gain. Confidential information for the purpose of this paragraph shall be defined as all information disclosed or discussed in any executive session of the Board and any information disclosed or discussed in any meeting of the Board which is confidential under law, statute or practice and which is otherwise not available to the public.
- 6. The Chief Executive Officer of UCIP and each Trustee shall complete a disclosure form provided by UCIP at the first meeting of the Board during each fund year. That completed form shall affirm the person's awareness of this policy statement and either state that no described conflicts exist, or make all required disclosures.
- 7. The information on the disclosures, except for the valuations attributed to the reported interests, shall be made available by the Secretary of the Board for inspection by any UCIP member county representative. The valuation shall be confidential for all purposes except for proceedings for violation of the disclosure requirement of this policy.
- 8. Regarding possible conflicts of interest involved in discussing claims and/or litigation arising from claims referred to the Board of Trustees from the UCIP claims department and/or the UCIP Litigation Management Committee:
 - a. a Trustee from the defending county will excuse himself/herself from the room during the discussion of the claim, and;
 - b. proceedings of meetings closed for discussion of litigation are confidential.

Amendments Adopted 2/14/08

Home Membership FYI Reading Seminars

Pool Marketplace AGRIP Projects Links Publications E-mail Us

Seminars

Past Conference Presentations

Quality Education Initiative

Manual hours | hours ford agrip.org

Association of Governmental Risk Pools Post Office Box J 1023 Jim Thorpe Blvd Prague, OK 74864-1045

(405) 567-2611 (405) 567-3307

2009 CALENDAR

Topics for 2008 Conferences

AGRiP Spring Conference

March 9-11, 2009 Hilton Daytona Beach Oceanfront Resort Daytona Beach, Florida Conference Program

Conference Registration

Make Online Hotel Room Reservations By Phone: 1-866-536-8477 Group Code - Risk

11th Annual AGRiP Pooling Track

May 31-June 3, 2009 Hilton Anatole Dallas, Texas

AGRIP Institute for Managment & Leadership

August 3-5, 2009 The Inn at Essex Burlington, Vermont

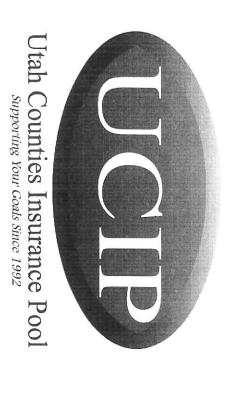
AGRiP Governance and Leadership Conference

October 19-21, 2009 Grand Hyatt Seattle Seattle, Washington

Make Hotel Reservations - Host Hotel Grand Hyatt Seattle



Home | Membership | FYI Reading | Seminars | Pool Marketplace | AGRIP Projects | Links | Publications | E-mail Us



UCIP Board of Trustees

UCIP Offices, Western Ag Board Room 10980 South Jordan Gateway, South Jordan, UT Thursday, January 15, 2009

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(Ref.			

Sponsorship Guidelines

- UAC at CEO discretion or per MOU.
- USACC Speaker fee, lunch or break.
- Sheriffs Association Speaker fee, lunch or break.
- Other County Associations Speaker fee, provided. lunch or break if time on agenda is
- Non-County Groups Board Approved.

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(dec)			

UCIP EE Manual

- Paydays in accordance with State Code
- Work Hours from 8:30 to 5:00 to 8:00 to 4:30
- increments. Vacation & Sick hours used in ½ hour
- employee's discretion. Retirement Benefits per budget approved. Matching contributions to 401k or 457 at
- Health Benefits per budget approved.
- Auto Allowance reimbursement from 70 mile to 100 mile round trip.

-			

Line of Business Loans

Workers Comp

\$2,900,000

BenefitsTotal

\$ 490,000

\$3,390,000

to the Multi-Line Program. Work Comp and Benefits deficits are owed

81				
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Letters of Engagement

- Independent Financial Audit
- Larson & Rosenberger
- Actuarial Reports BYNAC
- Multiline Reserve Analysis
- Workers Comp Reserve Analysis
- Multiline Rate Analysis
- Workers Comp Rate Analysis

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Loss Control Credit Program

- Any amount paid as credit, must be Actuary's premium indication. collected as premium in addition to
- UNLESS total credits equal total debits.
- In loss. Only loss control efforts that can be create immediate corresponding reduction causing underwriting loss are newly credited from actuarial premium without initiated efforts that can be expected to

9		
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Nominating Committee

- Bylaws Section 5.5
- Board elects three (3) Trustees to serve as **Nominating Committee**
- Nominating Committee shall solicit nominations for nominations, and select by a majority vote not more available elected Trustees position, review available Trustee position. than three names to be placed on the ballot for each
- 2008 Committee Blackwell, Eardley, Johnson

10			

Other Committees

- Advisory Committee
- Audit Committee
- Benefits Pool Planning Committee
- Building Committee
- Bylaws Committee
- Coverage Agreement Review Committee
- Law Enforcement Committee
- Litigation Management Committee
- Personnel Committee

Committees

- Finance Committee
- Audit, Actuarial, Investment & Budget
- Governance Committee
- Interlocal, Bylaws, Coverage Document & general policies
- Litigation Management Committee
- Claims, Litigation & Liability Loss Control
- Personnel Committee
- HR Loss Control
- Nominating Committee

14.1			

CEO Report

- **Grand County Member Termination**
- Mountain View Claim System status
- PEHP billing status
- W/C Program status
- Budget expense status
- Building status

21			
	器		

Terminating Member

- Grand County Terminating Membership
- Need to provide notice of failure to pay contribution prior to February 1, 2009.
- If contribution not paid by March 2, 2009, membership will terminate.

*			

Claims System Status

- Discussed return to server based system with MVCS.
- Server based system no longer available, all clients on internet based system.
- MVCS offer to repair any report errors.
- New or significantly revised reports will require programming tee.
- Use reduced cost of member access fee to cover programming tee.
- UCIP will make monthly member reports available electronically.

PEHP Billing Status

- Current discrepancy = \$26,000
- 2008 Benefits Program loss = \$30,000
- Discussed reconciliation of billings with Larson & Rosenberger.

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Work Comp Program Review

- Grand, Summit, Utah & WMH withdrawn
- Reduced Revenue = \$992,200
- Revised Total Premium = \$2,304,700
- Estimated Losses = \$1,640,000
- Estimated Excess Premium = \$408,500
- Estimated Admin Expenses = \$445,000
- Estimated Taxes = \$60,000
- Investment Income = \$128,896
- Estimated Gain (Loss) = (\$120,068)

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Budget Expense Status

Current working administrative budget expenses-

Multiline Approved Working Chang Multiline \$1,001,000 \$802,832 \$ (198,10) Work Comp \$600,242 \$444,489 \$ (155,70) Benefits \$198,438 \$32,768 \$ (165,60) Total \$1,799,680 \$1,280,090 \$ (519,50)				
ine \$1,001,000 \$802,832 \$ Comp \$600,242 \$444,489 \$ fits \$198,438 \$32,768 \$ \$1,799,680 \$1,280,090 \$		Approved	Working	Change
Comp \$ 600,242 \$ 444,489 \$ fits \$ 198,438 \$ 32,768 \$ \$ 1,799,680 \$ 1,280,090 \$	Multiline	\$1,001,000	\$ 802,832	\$ (198,168)
fits \$ 198,438 \$ 32,768 \$ \$ 43,799,680 \$ 1,280,090 \$	Work Comp	\$ 600,242	\$ 444,489	\$ (155,753)
\$1,799,680 \$1,280,090 \$	Benefits	\$ 198,438	\$ 32,768	\$ (165,670)
	Total	\$1,799,680	\$1,280,090	\$ (519,590)

4				
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			9	